

# APPRAISAL REPORT

LUBAWY & ASSOCIATES

REAL ESTATE APPRAISERS AND CONSULTANTS

12-11



**A COMPLETE APPRAISAL, RESTRICTED REPORT OF**  
110.80 Acres of Land

**OWNED BY**  
State of Nevada  
Colorado River Commission of Nevada

**LOCATED AT**  
The South Side of Emerald River Parkway, Approximately 60 Feet South of Casino Drive,  
Laughlin, Clark County, Nevada

**FOR THE PURPOSE OF**  
Forming an Opinion of "As-Is" Market Value of the Fee Simple Interest as of July 25, 2004

**DATE OF REPORT**  
July 29, 2004

**PREPARED FOR**  
Mr. James D. Salo  
State of Nevada  
Colorado River Commission of Nevada  
555 East Washington Avenue, Suite 3100  
Las Vegas, Nevada 89101

**APPRAISAL COMPLETED BY**  
**LUBAWY & ASSOCIATES, INC.**  
8250 West Charleston Boulevard, Suite 100  
Las Vegas, Nevada 89117

File #04-224



LUBAWY & ASSOCIATES  
REAL ESTATE APPRAISERS AND CONSULTANTS

July 29, 2004

File #04-224

Mr. James D. Salo  
State of Nevada  
Colorado River Commission of Nevada  
555 East Washington Avenue, Suite 3100  
Las Vegas, Nevada 89101

Re: A Complete Appraisal, Restricted Report of  
Approximately 110.80 Acres of Land  
Located along the South Side of the Proposed Emerald River Parkway,  
Approximately 60 feet South of Casino Drive,  
Laughlin, Clark County, Nevada 89029

Dear Mr. Salo:

As requested, we have prepared a Complete Appraisal, Restricted Report of approximately 110.80 acres of land consisting of three individual parcels. The parcels consist of a combined 84.71-acre parcel with Colorado River frontage further described as Clark County Assessor's Parcel Numbers 264-26-000-010 and 264-34-501-001, and a 26.09-acre parcel further described as Clark County Assessor's Parcel Number 264-26-000-011. The parcels are currently owned by the Colorado River Commission. The parcels were a portion of the former Emerald River development. The land is zoned H-1, Limited Resort and Apartment District, under the jurisdiction of Clark County.

We have made an inspection of the property and investigated and analyzed all necessary data. The supporting data, analyses, and conclusions used to form an opinion of market value of the subject property are contained in the accompanying report and addenda. This letter by itself should not be construed as a complete report.

This is a Complete Appraisal intended to comply with Standards Rule-1 and a Restricted Report intended to comply with the reporting requirements set forth under Standards Rule 2-2 (c) of the Uniform Standards of Professional Appraisal Practice. As such, it does not present discussions of the data, reasoning and analyses that were used in the appraisal process to develop the appraisers' opinion of value. Supporting documentation concerning the data, reasoning and analyses is retained in the appraisers' file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use of Nevada State Bank in loan underwriting. This report has a limited amount of reported analysis as opposed to a Summary Report or Self-Contained Report which would be more comprehensive. The appraisers are not responsible for unauthorized use of this report.

The purpose of this appraisal report is to form an opinion of the "as is" market value of the fee simple interest of the subject property. The intended use of this report is to assist the Colorado River Commission of Nevada in asset valuation/for possible disposition of the property.



The supporting data, analyses, and conclusions used to form an opinion of the market value of the subject property are contained in the appraisers' file. Since this is an update report of value from a previous appraisal performed December 31, 2002, this report is intended to supplement and include reference to the previous appraisal. Neither this letter, nor the report should be construed as a complete appraisal.

Based upon an analysis of the market data and subject to the assumptions and limiting conditions contained within this report, we have formed an opinion of the market value of the fee simple interest of the subject property as follows:

VALUE IDENTIFICATION	PROPERTY RIGHTS APPRAISED	DATE OF VALUE OPINION	MARKET VALUE
Market Value "As Is"	Fee Simple	July 25, 2004	\$16,600,000


It must be noted that the original date of value requested in our engagement letter was changed from March 31, 2004 to July 25, 2004, per our conversation with Mr. Jim Salo. Property values in the immediate area have increased dramatically since the beginning of the year. Since the purpose of the report is for possible disposition, it was felt that a value as of a recent date would be appropriate.

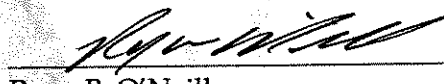
The acceptance of this appraisal assignment and the completion of the appraisal report submitted are not contingent upon any extraordinary assumptions.

The market value opinion has been predicated upon an exposure time of 6 to 12 months based upon available market data. The marketing time has also been estimated at 6 to 12 months.

Thank you for giving us the opportunity of appraising this property. If we may be of further assistance, please do not hesitate to contact us.

Sincerely,

  
Matthew Lubawy, MAI  
Nevada Certified General Appraiser #00044  
License expires April 30, 2005

  
Ryan B. O'Neill  
Nevada Registered Intern Appraiser #05286  
License expires March 31, 2006



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**ASSUMPTIONS AND LIMITING CONDITIONS****GENERAL ASSUMPTIONS AND LIMITING CONDITIONS**

The acceptance of this appraisal assignment and the completion of the appraisal report submitted herewith are contingent upon the following general assumptions and limiting conditions:

1. This is a restricted report, which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(c) of the Uniform Standards of Professional Appraisal Practice for a restricted appraisal report. As such, it does not include discussions of the data, reasoning and analyses that were used in the appraisal process to develop the appraisers' opinion of value. Supporting documentation concerning the data, reasoning and analyses is retained in the appraisers' file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraisers are not responsible for unauthorized use of this report.
2. No responsibility is assumed for legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
3. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated in this report.
4. Responsible ownership and competent property management are assumed, unless otherwise stated.
5. The information furnished by others is believed to be reliable; however, no warranty is given for its accuracy.
6. All engineering is assumed to be correct. Any plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
7. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
8. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated.
9. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered.
10. It is assumed that all required licenses, certificates of occupancy or legislative or administrative authority from any local, state, or national governmental or private entity organization have been or can be obtained or renewed for any use on which the value opinions contained in this report are based.



11. Any sketch may show approximate dimensions and is included to assist the reader in visualizing the property. Maps and exhibits found are provided for reader reference purposes only. No guarantee as to accuracy is expressed or implied unless otherwise stated. No survey has been made for the purpose of this report.
12. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespasses unless otherwise stated.
13. The appraiser is not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraisers that might suggest the possibility or presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment. The presence of substances such as asbestos, urea-formaldehyde, foam insulation, or other potentially hazardous materials may affect the value of the property. The appraisers' value opinions are predicated on the assumption that there is no such material on or in the property that would cause a loss in value unless otherwise stated in this report. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraisers' descriptions and resulting comments are the result of the routine observations made during the appraisal process.
14. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal the property is not in compliance with one or more of the requirements of the act. If so, this fact could have a negative effect upon the value of the property. Therefore, it is assumed that the property complies with all ADA requirements.
15. Any proposed improvements are assumed to be completed in a good workmanlike manner in accordance with the submitted plans and specifications.
16. The distribution of any or the total valuation of this report between land and improvements applies under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
17. Possession of this report or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraisers, and in any event, only with the properly written qualification and only in its entirety.
18. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or the firm with which the appraisers are connected) shall be disseminated to the public through advertising, public relations, news sales, or other media without prior written consent and approval of the appraisers.



19. Prospective values are predicated upon stable market conditions unless otherwise stated. The appraisers cannot be held responsible for unforeseeable events that may alter market conditions prior to the effective date of the appraisal.

***EXTRAORDINARY ASSUMPTIONS***

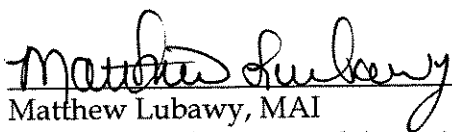
The acceptance of this appraisal assignment and the completion of the appraisal report submitted herewith are not contingent upon any extraordinary assumptions.



**CERTIFICATION OF VALUE**

We certify that to the best of our knowledge and belief:

1. The statements of fact contained in this appraisal report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
4. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
8. We have made a personal inspection of the property that is the subject of this report.
9. No one provided significant professional assistance to the persons signing this report.
10. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
12. As of the date of this report, Matthew Lubawy, MAI has completed the requirements of the continuing education program of the Appraisal Institute.
13. The appraiser's state registration/certification has not been revoked, suspended, canceled or restricted.



Matthew Lubawy, MAI  
Nevada Certified General Appraiser, # 00044  
License expires April 30, 2005



Ryan B. O'Neill  
Nevada registered Intern Appraiser #05286  
Licenses expires March 31, 2006



**SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS**

**PROPERTY ADDRESS:** N/A

**LOCATION:** The south side of the proposed Emerald River Parkway, approximately 60 feet south of Casino Drive, Laughlin, Clark County, Nevada 89029.

**ASSESSOR'S PARCEL NUMBERS:** 264-26-000-010 and 011; 264-34-501-001

**CENSUS TRACT NUMBER:** 57.02

**PURPOSE OF APPRAISAL:** The purpose of this appraisal assignment is to develop an opinion of "as is" market value of the fee simple interest.

**INTENDED USE OF APPRAISAL:** The intended use of this appraisal is to assist the State of Nevada, Colorado River Commission of Nevada in asset valuation for possible disposition.

**DATE OF VALUATION:** July 25, 2004

**PROPERTY INSPECTION DATE:** July 25, 2004

**DATE OF REPORT:** July 29, 2004

**PROPERTY RIGHTS APPRAISED:** Fee Simple estate.

**LAND SIZE:** Approximately 110.80 acres comprised of three separate Assessor parcel numbers.

**IMPROVEMENT DATA:** None

**ZONING:** H1 (Limited Resort and Apartment District) under the jurisdiction of Clark County.

**HIGHEST AND BEST USE:**

**As Vacant Land:** The highest and best use of the land as though vacant is for development at a future time with a use that would utilize the proximity to the river, as well as the hotel/casino district, such as residential, condominium, time share, single-family homes, apartments, commercial development and possible hotel/casino use.



**VALUE OPINIONS:**

VALUE IDENTIFICATION	PROPERTY RIGHTS APPRAISED	DATE OF VALUE OPINION	MARKET VALUE
Market Value "As Is"	Fee Simple	July 25, 2004	\$16,600,000

**EXPOSURE TIME:**

The aforementioned market value opinion has been predicated on an exposure time of 6 to 12 months.

**MARKETING PERIOD:**

If the subject were marketed for sale as of the date of the value opinion, the marketing period would be 6 to 12 months assuming competent marketing and the pricing commensurate with the market value opinion.

The aforementioned market value opinion is contingent upon the general assumptions and limiting conditions contained on pages 1 and 2 of this appraisal report.

The acceptance of this appraisal assignment and the completion of the appraisal report submitted are not contingent upon any extraordinary assumptions.



## INTRODUCTION

### **IDENTIFICATION OF THE PROPERTY**

The property is comprised of three individual parcels separated by an approximate 30-foot right-of-way. The properties are located just south of Casino Drive (the "upland" parcel is located approximately 60 feet south of Casino Drive) and approximately two miles east of Needles Highway in Laughlin, Clark County, Nevada 89029. The western parcels have approximately 1,350 feet of Colorado River frontage. The parcels may be further identified as Clark County Assessor's Parcel Numbers 264-26-000-010, 011 and 264-34-501-001.

The subject parcels contain a combined land area of approximately 110.80 net acres or 4,826,448 square feet. There are no improvements on the property. The subject site is more thoroughly described in the "Site Description and Analysis" section later in this report.

### **LEGAL DESCRIPTION**

The land referred to herein is situated in the County of Clark, State of Nevada and is described as follows:

A portion of the South Half (S ½) of the South Half (S ½) of Section 26, Township 32 South, Range 66 East, and a portion the Southeast Quarter (SE ¼) of the Southeast Quarter (SE ¼) of Section 27, Township 32 South, Range 66 East, further identified as a portion of Government Lots Two (2), Three (3) and Four (4) and a portion of the South Half (S ½) of the South Half (S ½) of Section 26, Township 32 South, Range 66 East, M.D.B.&M.

For a more complete description, the reader is referred to the Lot Survey and Parcel Survey located in the addenda of the previous appraisal report performed.

### **CENSUS TRACT NUMBER**

The subject is located within Census Tract Number 57.02.

### **PURPOSE OF APPRAISAL**

The purpose of this appraisal report is to form an opinion of value of the "as is" value of the fee simple interest of the subject property as of the effective date of the appraisal.

### **INTENDED USE OF THE APPRAISAL**

The intended use of this report is to assist the Colorado River Commission of Nevada in asset valuation.



**EFFECTIVE DATES OF VALUATION**

The "as is" market value has an effective date of valuation of July 25, 2004. The property was inspected and photographs were taken on July 25, 2004.

**DATE OF APPRAISAL REPORT**

The date of this appraisal report is July 29, 2004. The comparable sales and market data were verified prior to the date of this report.

**USPAP COMPETENCY PROVISION**

This appraisal report is being prepared with the intention of complying with the most recent version of the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Foundation. Matthew Lubawy, MAI and Ryan O'Neill have appraised several properties in the Las Vegas metropolitan area and the Laughlin area. We are qualified to appraise the subject property. Please see the qualifications of the appraisers contained in the addenda of this report for additional information.

**DEFINITION OF MARKET VALUE**

Market value is defined as:

"The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their own best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."

Source: 12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992; 59 Federal Register 29499, June 7, 1994).



**MARKET VALUE "AS-IS" ON APPRAISAL DATE**

Market value "as is" on appraisal date may be defined as:

"An opinion of the market value of a property and the condition observed upon inspection and as it physically and legally exists without hypothetical conditions, assumptions, or qualifications as of the date the appraisal is prepared".

Source: *Federal Register*, Vol. 53, No. 3, January 6, 1988, Rules and Regulations, 12CFR 571.1b(3), Page 383. (Revised to conform to 2003 version of USPAP.)

**PROPERTY RIGHTS APPRAISED**

We have formed the opinion of value of the subject property in fee simple ownership. Fee simple ownership may be defined as follows:

"Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent-domain, police power, and escheat."

Source: *The Dictionary of Real Estate Appraisal*, Fourth Edition, (Chicago: Appraisal Institute, 2002, Page 113.

**EXPOSURE TIME DEFINED**

One of the implicit conditions of market value is that a reasonable time is allowed for exposure in the open market. This is always assumed to precede the effective date of the appraisal. Specifically, exposure time is defined as:

"The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based upon an analysis of past events assuming a competitive and open market."

Source: *Statement 6, Uniform Standards of Professional Appraisal Practice*, 2003 Edition, Appraisal Standards Board.

**MARKETING TIME**

The reasonable marketing time is an opinion of the amount of time it might take to sell a real or person property interest at the concluded market value level during the period immediately after the effective date of an appraisal.

Source: *The Uniform Standards of Professional Appraisal Practice*, Advisory Opinion 7.

**CURRENT OWNERSHIP/ OWNERSHIP HISTORY**

According to information from the Clark County Recorder's Office, the current owner of the property is the State of Nevada, Colorado River Commission of Nevada. The property was originally transferred to the State of Nevada Colorado River Commission on June 10, 1968 (Document Number 08780705162). The parcel was originally 182.77 acres and was subdivided to its



current configuration in 1968. It should be noted that the 6.34 acre parcel that makes up a portion of the river frontage was transferred to the State of Nevada Colorado River Commission on December 28, 1988 (Document Number 88122800044).

The properties surrounding the subject parcels are part of an approximate 400 acre development which was originally planned for the development of an 18-hole golf course with four hotel/casinos and 1,200 residential dwellings. The project was named Emerald River. The original developer opened 18 holes of the golf course and began construction of the first hotel/casino sometime in the late 1980s. Construction was halted in 1990 when bankruptcy proceedings began. It should be noted that the golf course has remained in operation. The developers had an option to purchase the subject parcels; however, it was never exercised. Payne Webber was one of the main creditors for the Emerald River Development and acquired a substantial portion of the property surrounding the subject which is now under the ownership of Riverside Developments, LLC. Riverside Developments, LLC has acquired the remainder of the Emerald River Development, as well.

### ***SCOPE OF APPRAISAL***

This is a Complete Appraisal, Restricted Report which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(c) of the Uniform Standards of Professional Appraisal Practice for a Complete Appraisal, Restricted Report. No departures from the USPAP have been invoked. As part of this appraisal the appraisers have made a number of independent investigations and analysis. The investigations undertaken and the major data sources used are listed below:

#### ***Area/City and Neighborhood Analysis***

Data pertaining to the City of Laughlin was provided by information from the local Chamber of Commerce and the Nevada Development Authority. Information pertaining to population was supplied by the Clark County Comprehensive Planning Department; information pertaining to visitor volume, convention attendance, gaming revenue and total visitor revenue was supplied by the Las Vegas Convention and Visitors Authority; data pertaining to the labor force, employment and unemployment was supplied by the State of Nevada Employment Security Department; information pertaining to taxable sales was provided by the Nevada Department of Taxation; and data pertaining to residential construction building permits was collected from the governing jurisdictions. Additional neighborhood data was based upon a physical inspection of the area.

#### ***Site Description and Analysis***

On July 25, 2004, the subject was inspected. Photographs of the property were also taken as of this date. Information concerning utilities was collected by a physical inspection as well as contacting the individual utility companies, when necessary. The Clark County Planning and Development Department was contacted to obtain zoning information on the property. Information pertaining to dimensions, shape, and area was taken from the Clark County Assessor Parcel Map. The description of analysis of topography, drainage, soils conditions and surrounding land uses was based upon a physical inspection. It is imperative to note that the appraisers are not experts in the analysis of soils conditions or environmental hazards; therefore, any comment by the appraisers that might suggest the presence of such substances should not be taken as confirmation of the presence of hazardous waste or questionable soils conditions. Such determination would require



investigation by qualified professionals in the field of environmental assessment or soils testing. No responsibility is assumed for any environmental conditions or for any expertise or engineering knowledge required to discover them. The appraisers' descriptions and resulting comments are a result of routine observations made during the appraisal process.

### ***Applied Methods of Valuation***

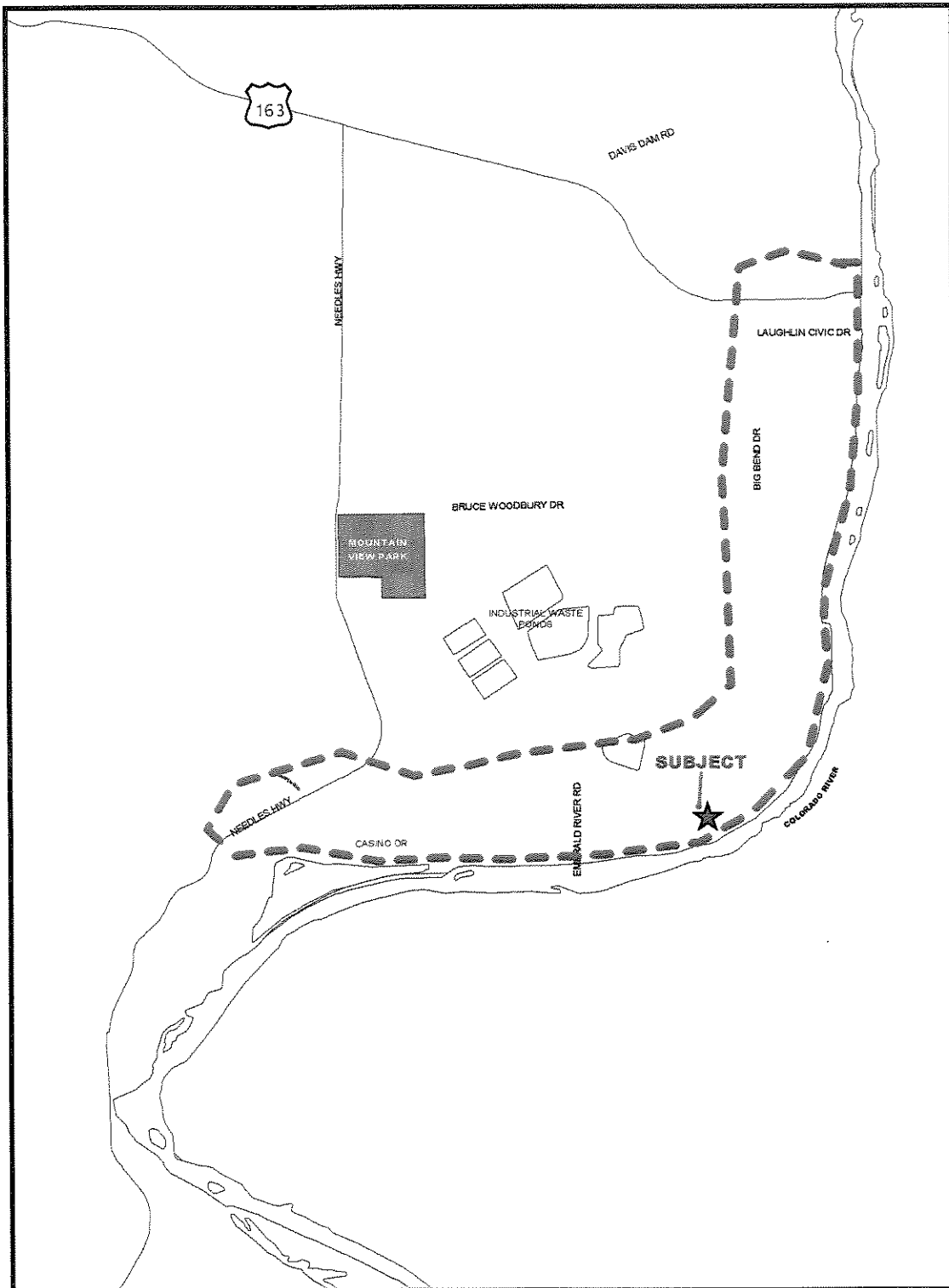
The sales comparison approach to value was the only approach utilized in this report, as the subject is vacant land. The cost and income approaches were not considered appropriate in the valuation of the fee simple interest of the vacant land. This is not a departure from the USPAP. Please see the section entitled "Method of Valuation," contained later in this report, for a full description of the complete process for each approach utilized.

### ***Market Data Collection and Verification***

Data pertaining to land sales was collected from sources including COMPS Incorporated, the Property Line, and discussions with brokers, owners, and developers. Information on land sales, listings or offers was verified with the parties involved in the transaction including the grantor, grantee, broker or other knowledgeable parties, when possible. Verification of each sale is listed separately on each land sale abstract.



## NEIGHBORHOOD DESCRIPTION AND ANALYSIS





The subject neighborhood is located in Laughlin, Nevada. Laughlin is in the southern portion of Nevada situated in an unincorporated portion of Clark County. Laughlin is located along the west side of the Colorado River which forms the boundary between the state of Nevada and Arizona. Located immediately opposite the Colorado River to the east is Bullhead City, which is in the state of Arizona. Laughlin is primarily a tourist/gaming resort destination with the majority of the residential housing and commercial support services being provided by Bullhead City, Arizona, which has a larger population base. Access between Laughlin and Bullhead City is provided by a bridge across the Colorado River at the north end of the casino "Strip" as well as a bridge near the Fort Mojave Indian Reservation, south of the Laughlin area.

The warm climate, low cost of living, and job opportunities have attracted many new residents to the area. Entertainment and gaming have attracted an overwhelming number of visitors. While visitor volume, hotel occupancies, and gaming revenues have declined in the past, it appears that the last two years have shown an increase in these indicators suggesting a reversal of this downward trend. In summary, the immediate neighborhood is projected to experience significant growth over the next several years. The expansion in the casino industry will create demand on housing in both the single-family and multi-family market within the subject neighborhood that should reduce the potential for significant over-building within the area. It is anticipated that any over-development will only be short term.

In conclusion, the Laughlin market has began to experience a rebound from its past declines in all of the market categories. The outlook for the Laughlin tourism industry is positive. The subject neighborhood is comprised of the casino/hotel resort corridor. This corridor begins at Highway 163 at the north end of town. The southern and eastern border is comprised of the Colorado River. The western border is approximately 1,000 feet west of Casino Drive and Needles Highway where it passes the lagoon.



## SITE DESCRIPTION AND ANALYSIS

The subject property is located along the south side of the proposed Emerald River Parkway approximately 60 feet south of Casino Drive and two miles east of Needles Highway. The property has approximately 1,350 feet of frontage along the Colorado River. The property is comprised of three parcels separated by an easement road. The eastern or waterfront parcels are comprised of Assessor Parcel Numbers 264-26-000-010 and 264-34-501-001. The western or "upland" parcel is comprised of Assessor's Parcel Number 264-26-000-011.

As mentioned earlier, the waterfront parcel is comprised of Assessor's Parcel Numbers 264-26-000-010 and 264-34-501-001. The area of this parcel is approximately 84.71 acres. The shape is rectangular with approximately 1,350 feet of frontage along the river. The "eastern" parcel is separated from the waterfront parcel by an approximate 30-foot easement used for golf cart access. The "eastern" parcel is further identified as Assessor's Parcel Number 264-26-000-011 and has an approximate area of 26.09 acres. The total area is approximately 110.80 net acres.

The site is irregular in terms of topography. The parcel drains to the Colorado River and there is a relatively large difference in elevation between the northern portion of the parcel and the southern or river frontage portion of the parcel. The waterfront parcels are essentially two levels; the upper level has been graded which comprises roughly one-half of the parcel and the riverfront portion of the parcel is relatively level along the waterfront. The "eastern" parcel is highly irregular and is comprised of hills and washes and has not been graded.

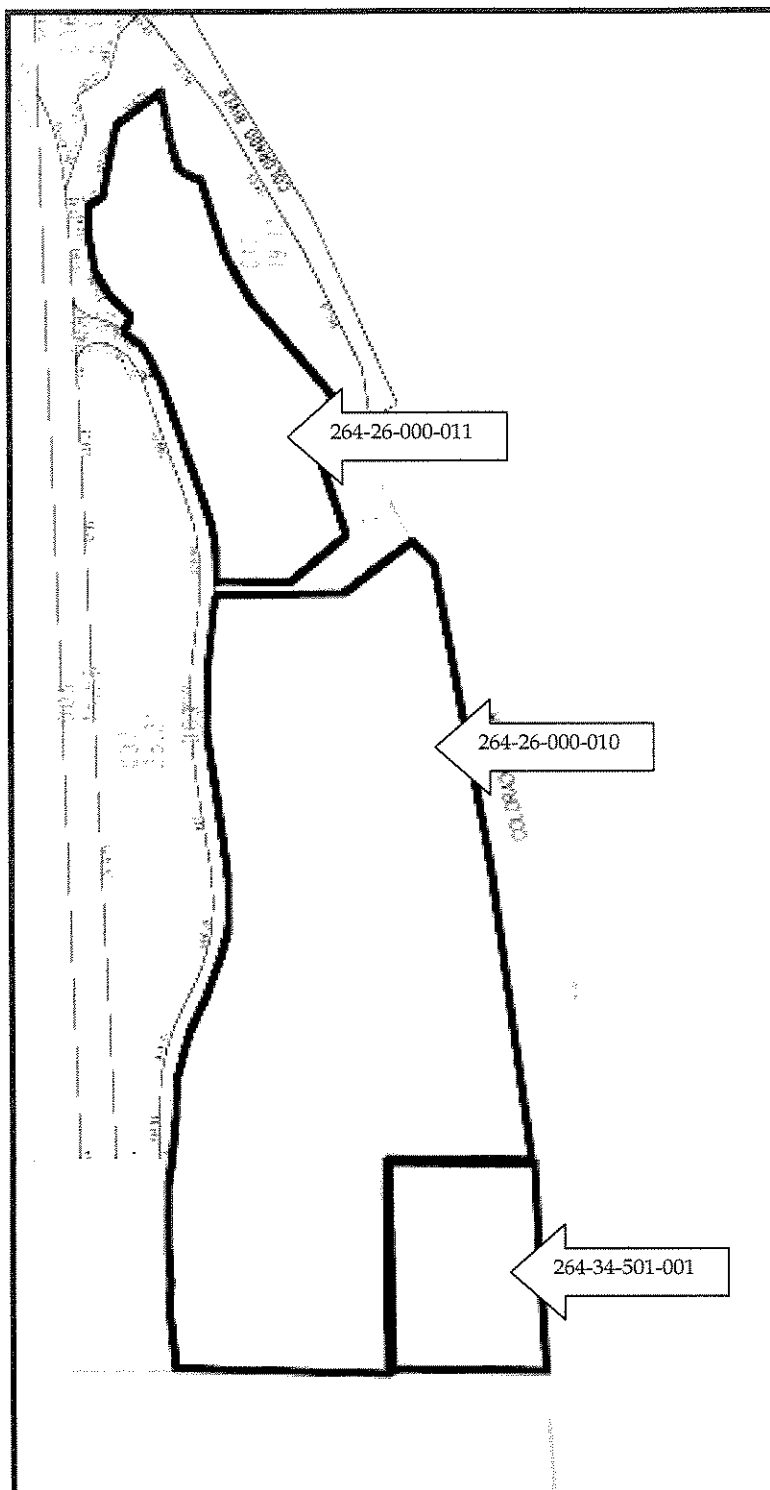
The property appears to be typical of other sites in the area and no adverse site conditions were noted at the time of inspection. It is located within an unidentifiable flood hazard area, as are most of the properties located along the Colorado River.

The subject property is zoned H-1, Limited Resort and Apartment District, under the jurisdiction of Clark County. Permitted uses include hotels, resort hotels, inns, and motels. Also, incidental businesses which are permitted include restaurants, bars, retail sales and health spas. A setback of 10 feet is required for either an interior lot or a corner lot. A minimum depth of the front yard shall be 10 feet. The height of the improvements shall not exceed 9 stories or 100 feet.

In summary, the physical characteristics of the site include its shape, frontage, size, topography, visibility from major arterials, and other physical characteristics. The subject property is comprised of three parcels. Two parcels have approximately 1,350 feet of combined Colorado River frontage, and the other parcel is bound on two sides by a golf course. Both parcels have frontage along Emerald River Parkway and are within close access to Casino Drive. The parcels total 110.80 acres. The property has adequate road frontage and area of sufficient size to develop numerous uses. Although the parcels are irregular in shape, it does not hinder development of the parcels. There are no other conditions adversely affecting development of the property.

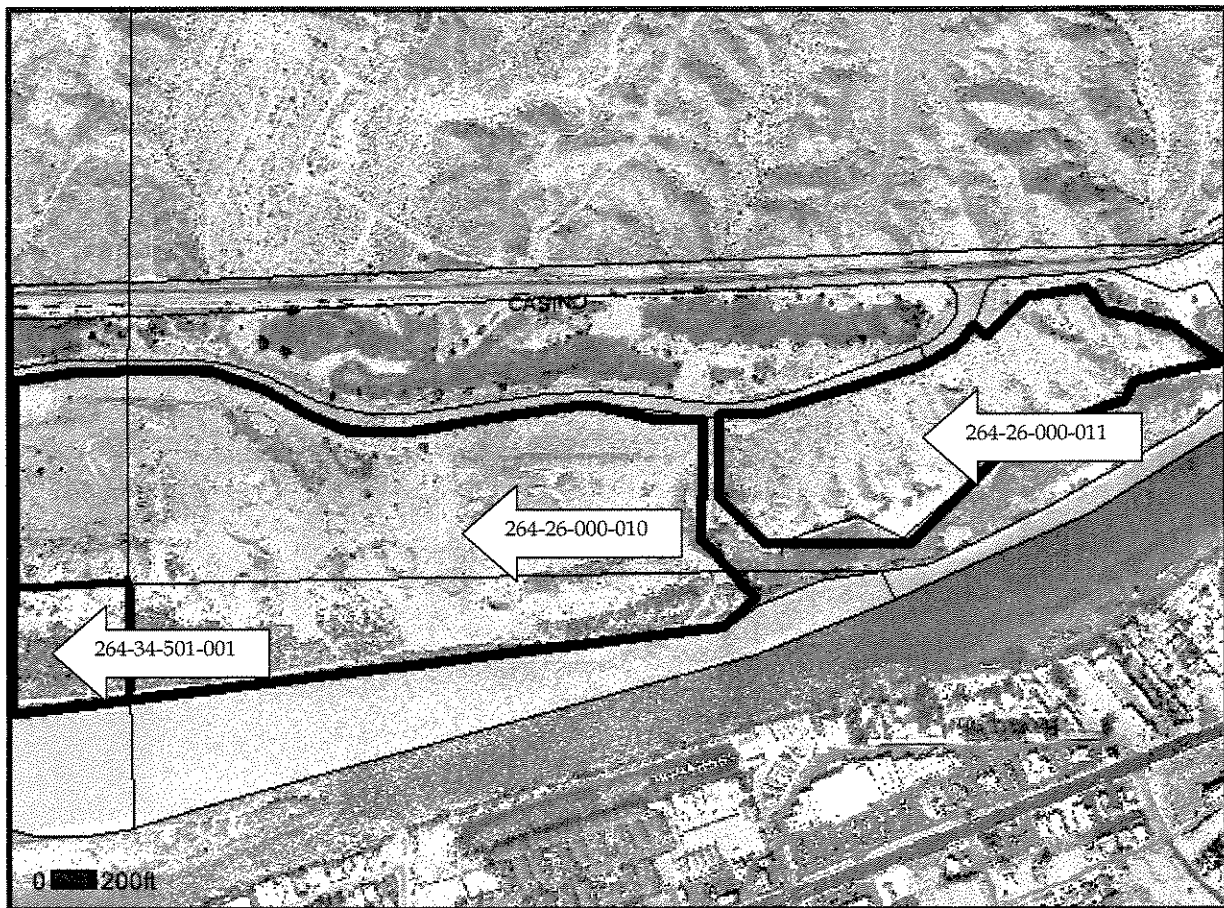


## CLARK COUNTY ASSESSOR'S PARCEL MAP





## AERIAL MAP





**HIGHEST AND BEST USE*****HIGHEST AND BEST USE AS THOUGH VACANT***

Highest and best use of land or site as though vacant is defined as:

“Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements.”

Source: *The Dictionary of Real Estate Appraisal*, Fourth Edition, (Chicago: Appraisal Institute, 2002)  
Page 135.

The subject property is comprised of a total of 110.80 acres. There is a combined 84.71 acre parcel with water frontage and a 26.09 acre parcel separated by the larger combined parcel by a 30-foot easement. The properties are not located within a designated flood hazard area and there are no environmental hazards existing or in close proximity to the subject that would reduce the development potential of the property. The “upland” parcel has topography that will require grading; however, it will not reduce the development potential of the subject property.

While the economy of Laughlin appears to be rebounding, the subject may not be built with new casinos and hotel rooms for some time. Alternative uses for the subject property include condominiums, time shares, single-family homes, and apartments. This type of development could make use of the topography and views of the river and the adjoining golf course.

In conclusion, the economic data supports a hotel/casino, commercial, or residential development at some time in the future. At the present time, the most likely use for the subject property would be to stay dormant in its current state until such time as development is practical. The highest and best use for the subject site is for a master planned, hotel/casino/commercial development with possible residential development.



**METHOD OF VALUATION**

The valuation process is the method in which the data used to form an opinion of the value of the subject property are acquired, analyzed, and presented. This data is typically applied within the traditional three approaches to value which are the cost approach, the income capitalization approach, and the sales comparison approach. In appraisal practice, one or more approaches may not be appropriate to the property being appraised depending upon the quality, quantity, and reliability of the data. The sales comparison approach has been used in the valuation of the subject property as it is vacant land. The cost approach and income capitalization approach have not been used since these approaches are typically utilized only for improved properties.

**Sales Comparison Approach:** The sales comparison approach involves the gathering of data pertinent to sales of properties similar to the subject. It is based upon the principle of substitution, which implies that the property's value tends to be set at the cost of acquiring an equally desirable substitute property, assuming that no costly delay is encountered in making the substitution. The sales data utilized in this approach was gathered through various sources. When possible, the sales data was verified with the grantor, grantee, or the real estate agent involved in the sale.



## LAND VALUATION

The sales comparison approach is the most common technique for valuing vacant land. It is used to form an opinion of the market value of the subject site as though vacant. To apply this method, sales of vacant land comparable to the subject property are gathered and analyzed. The sale prices are adjusted for dissimilarities identified between each of the comparables and the subject. The elements considered include property rights, legal encumbrances, financing terms, conditions of sale (motivation), market conditions (sale date), location, physical characteristics, available utilities, zoning, and highest and best use. The adjusted prices are reduced to some common unit of comparison, such as price per square foot or price per acre. The appraisers analyze this information and derive the unit value applicable to the subject property. When applied to the appropriate measure, this results in an opinion of the market value of the vacant land.

The sales used in the valuation are considered to be the most comparable to the subject as of the date of valuation. Specifically, we have identified and analyzed recent sales in the subject area. The following pages display the location, details, property characteristics, and a discussion of the comparability of each sale.

### LAND SALES SUMMARY

PROPERTY DATA		
1. <b>Location:</b> The east side of Casino Drive, south of Big Bend Drive.	<b>Sale Date:</b> 4/16/04	<b>APN:</b> 264-24-402-001
<b>Grantor:</b> Bullhead Airport, Inc.	<b>Sale Price:</b> \$10,500,000	<b>Doc. No.:</b> 040416:04356
<b>Grantee:</b> Solid State Laughlin Nevada	<b>Area (Net):</b> 42.55 Acres	<b>Prop. No.:</b> CKC-62301
	<b>\$/Sq. Ft.:</b> \$5.67 Sq. Ft.	
<b>Verification:</b> Verified with Don Griffin, selling broker (299-5556); COMPS, Inc. and Clark County public records.		
<b>Comments:</b> This property was an auction sale in 1999, and was purchased under value. Immediately after the purchase the property was listed for sale at \$12,000,000. The property needs major grading, but an estimate of costs could not be provided. This parcel has 1,300 feet of Colorado river frontage and 1,270 feet of Casino Drive frontage. The sales price equates to \$246,769/acre.		
2. <b>Location:</b> The east side of Casino Drive, south of Big Bend Drive.	<b>Sale Date:</b> 06/14/04	<b>APN:</b> 264-25-101-001 and 264-25-201-001
<b>Grantor:</b> DWL Holdings	<b>Sale Price:</b> \$14,500,000	<b>Doc. No.:</b> 040604:01687
<b>Grantee:</b> Solid State Laughlin, Inc.	<b>Area (Net):</b> 78.74 Acres	<b>Prop. No.:</b> CKC-89263
	<b>\$/Sq. Ft.:</b> \$4.23 Sq. Ft.	
<b>Verification:</b> Verified with Don Griffin, real estate broker in the Laughlin area, COMPS, Inc. and Clark County public records.		
<b>Comments:</b> This property consists of two individual parcels of approximately 41.80 acres and 36.94 acres. The parcels need major grading and have topographical issues. The parcels have been purchased by Solid State, who purchased 42.55 acres bordering the north of this property.		



PROPERTY DATA			
3. Location: The east side of Casino Drive, south of Big Bend Drive.	Sale Date: In Escrow	APN: 264-25-301-002	
Grantor: Michael James Landsburg, et al	Sale Price: \$1,150,000	Doc. No.: N/A	
Grantee: N/A	Area (Net): 19.4 Acres	Prop. No.: CKC-04-244a	
	\$/Sq. Ft.: \$1.36 Sq. Ft.		
Verification: Verified with Tom Patton, Listing Broker (298-1057); and Clark County public records.			
Comments: This parcel is in escrow for \$1,150,000 with a back up offer for \$150,000 extra. The broker stated that the property will require approximately \$1,000,000 worth of site work due to the topographical issues of the property being situated on a cliff. Including the additional \$1,000,000 puts the value of this property at approximately \$110,824/acre. The broker mentioned that any purchaser/developer would expect substantial profit. The property is scheduled to close escrow by 08/15/04.			
4. Location: The north side of Casino Drive, east of Needles Highway.	Sale Date: In Escrow	APN: 264-28-401-003 and 264-33-101-006	
Grantor: Laughlin 1365, LLC	Sale Price: \$2,800,000	Doc. No.: N/A	
Grantee: N/A	Area (Net): 24 Acres	Prop. No.: CKC-04-244b	
	\$/Sq. Ft.: \$2.68 Sq. Ft.		
Verification: Verified with Tom Patton, Listing Broker (298-1057); and Clark County public records.			
Comments: This parcel is in escrow for \$2,800,000. The broker stated that there have been back up offers acknowledged. The property consists of two individual parcels of which have approximately 600 feet of river frontage, as well as north and south frontage along Casino Drive. The developer will be required to dedicate Casino Drive where it dissects the property. Due to the minimal amount of river frontage the broker stated that this property will have a mixed use, one of which is a planned marina. The property is scheduled to close escrow in August, 2004.			

### Summary to Land Valuation

The subject property has a land area of 110.80 acres or 4,826,448 square feet. The property is situated just south of Land Sales 1, 2, and 3. The trend in land value has shown that the further away from the "Strip" the price per acre is reduced. This is reflected in all of the Land Sales which range from \$110,824 per acre to \$246,769 per acre. The northern most parcel, Sale 1, sold for \$246,769 per acre, just south of that sale was Land Sale 2 which sold for \$184,150 per acre. Further south, Land Sale 3 is in escrow for \$110,824 per acre including the site work needed. Land Sale 4 was located the furthest from the "Strip" and is in escrow for \$116,667 per acre. The only sale that did not reflect this trend of price reduction was Land Sale 3, but this sale, as previously mentioned, would expect a substantial entrepreneurial profit due to the \$1,000,000 worth of site work needed.

To determine a value for the subject property we have analyzed and adjusted the comparable Land Sales. Adjustments for location were made due to the proximity to the Laughlin "Strip". Land Sales 1, 2, and 3 were superior in location, thus requiring downward adjustments of 20%, 15%, and 5%. Land Sale 4 had an inferior location requiring an upward adjustment of 25%. Land Sale 1 required a downward adjustment due to its superior utilities to the site. This parcel has sewer and is in close proximity to other public utilities, resulting in the subject being inferior. A downward adjustment of 10% was deemed appropriate. Finally, Land Sale 3 required a substantial adjustment to reflect the site work needed as well as the entrepreneurial profit expected. An upward adjustment of 125% is reflected in Land Sale 3's value. The adjusted values range from \$130,411 per acre to \$174,466 per acre.



Based on the aforementioned sales, we have formed an opinion of the "as is" market value of the subject site in fee simple ownership, subject to the assumptions and limiting conditions and extraordinary assumptions contained herein as of July 25, 2004 as follows:

### SUMMARY TO LAND VALUATION

Effective Land Area		110.80
Multiplied by Opinion of Value per Acre	x	\$150,000
Indication of Land Value		\$16,620,000
<b>Rounded To:</b>		<b>\$16,600,000</b>



**EXPOSURE TIME AND MARKETING PERIOD**

The aforementioned market value opinions have been predicated upon an exposure time of 6 to 12 months. This is the length of time that the property would have been exposed on the market to achieve the opinion of market value. The exposure time is based upon comparable sales within this report as well as discussions with real estate brokers and developers such as Chuck Ruthe of Charles L. Ruthe & Associates, as well as Don Griffin and Tom Patton (real estate brokers in the Laughlin, Nevada area).

The marketing period of the subject property has also been estimated at 6 to 12 months. The marketing period is the length of time that the property would need to be put on the market to achieve the opinion of market value of the subject property. The marketing period has been based upon comparable sales and takes into consideration the future supply and similar property types in the subject's market area. It also assumes prudent marketing and an asking price (list price) similar to the market value opinion.

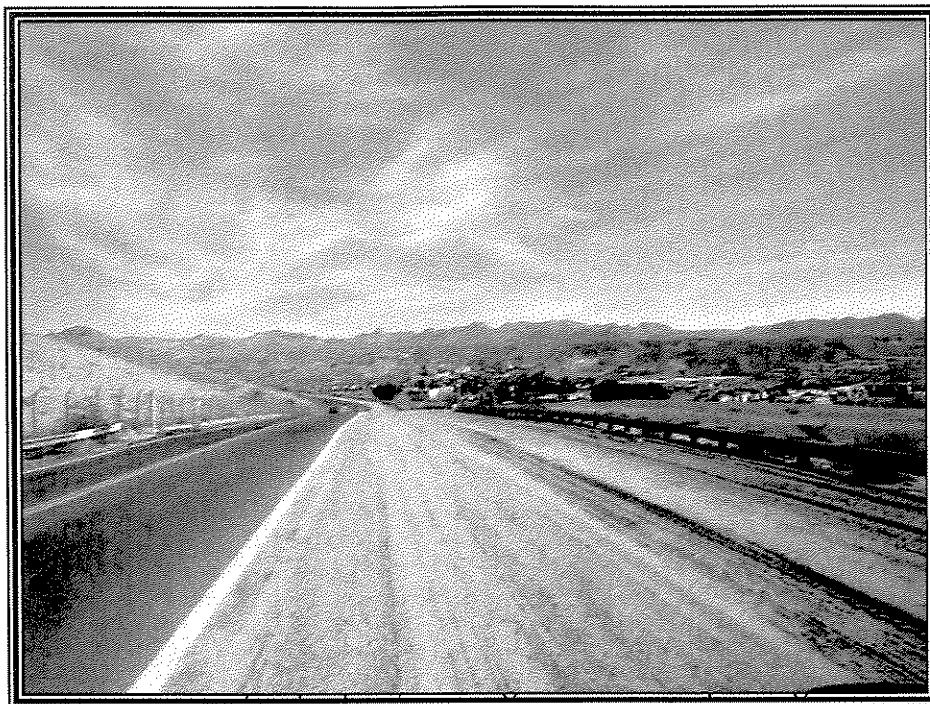


**ADDENDA**



**SUBJECT PHOTOGRAPHS**





View of Casino Drive looking west, subject to the right.

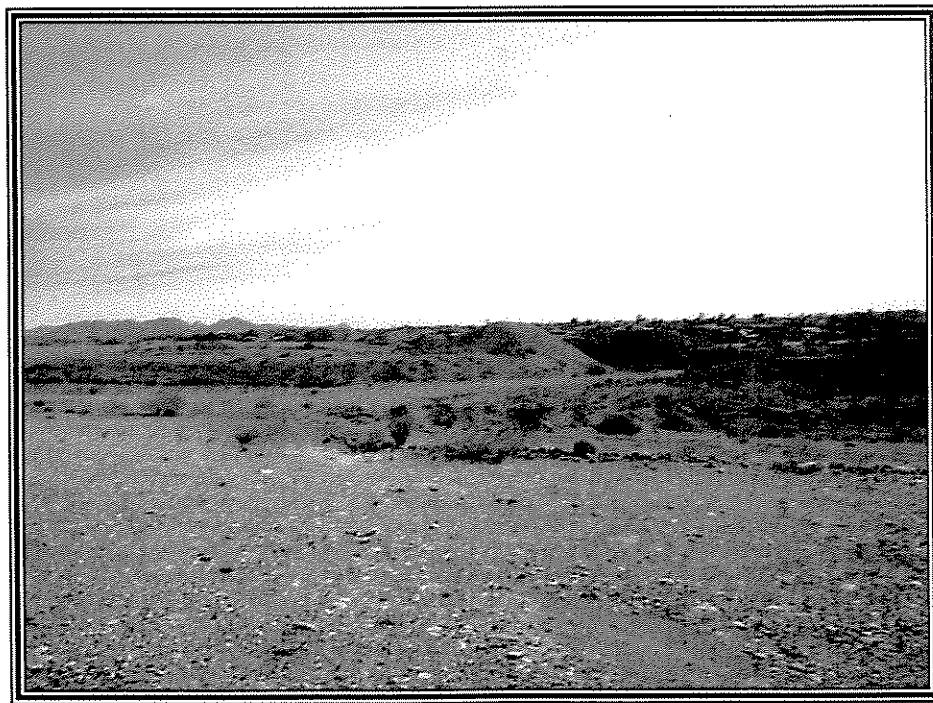


View of Casino Drive looking east, subject to the left.





View of subject "eastern" parcel looking northeast from northwest corner of parcel.

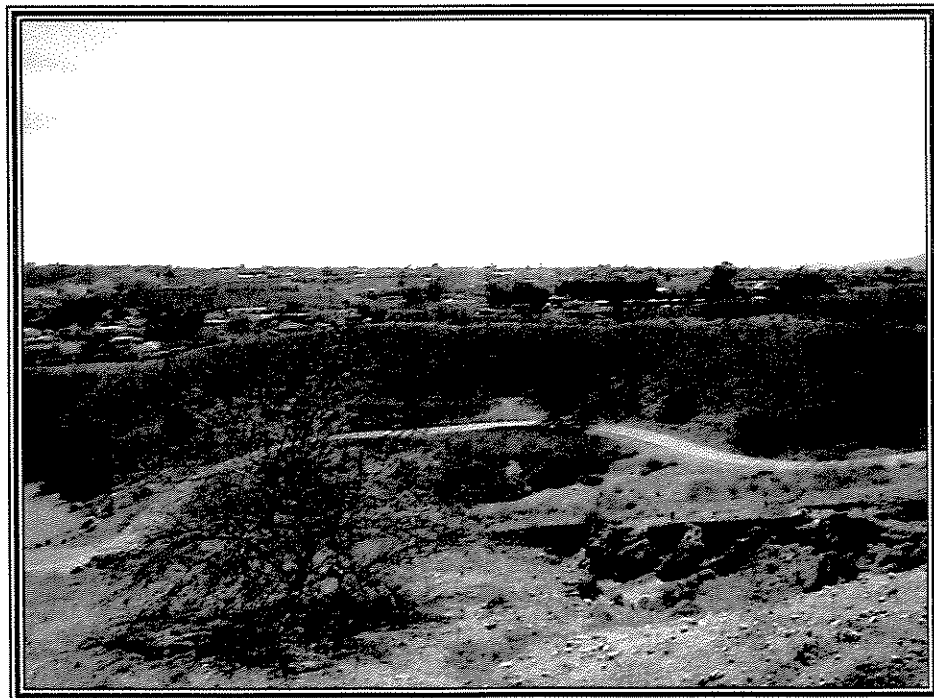


View of subject "eastern" parcel looking east from northwest corner of parcel.





View of subject "eastern" parcel looking southeast from northwest corner of parcel.



View of subject "eastern" parcel looking south from northwest corner of parcel.



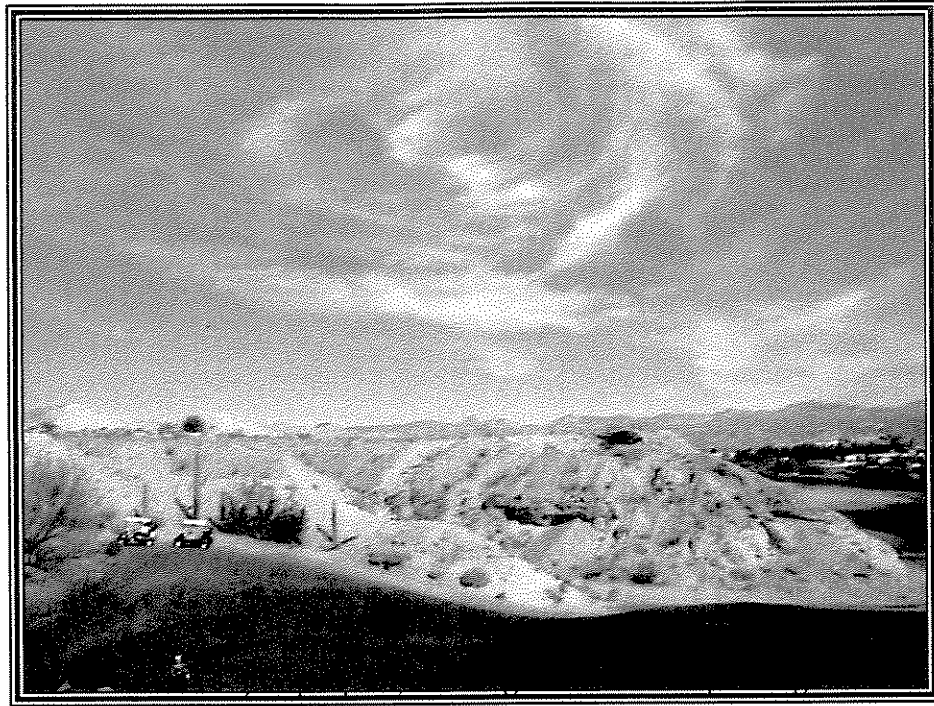


View of subject "eastern" parcel looking east from northeast corner of parcel.



View of subject "eastern" parcel looking southeast from northeast corner of parcel.





View of subject "eastern" parcel looking southeast from northeast corner of parcel.



View of subject "eastern" parcel looking south from northeast corner of parcel.





View of subject "eastern" parcel looking north from southeast corner of parcel.



View of subject "eastern" parcel looking northwest from southeast corner of parcel.





View of subject "eastern" parcel looking east from southwest corner of parcel.



View of Colorado River from southeast corner of subject "eastern" parcel.





View of Colorado River from subject "eastern" parcel.



View of golf course from subject "eastern" parcel.



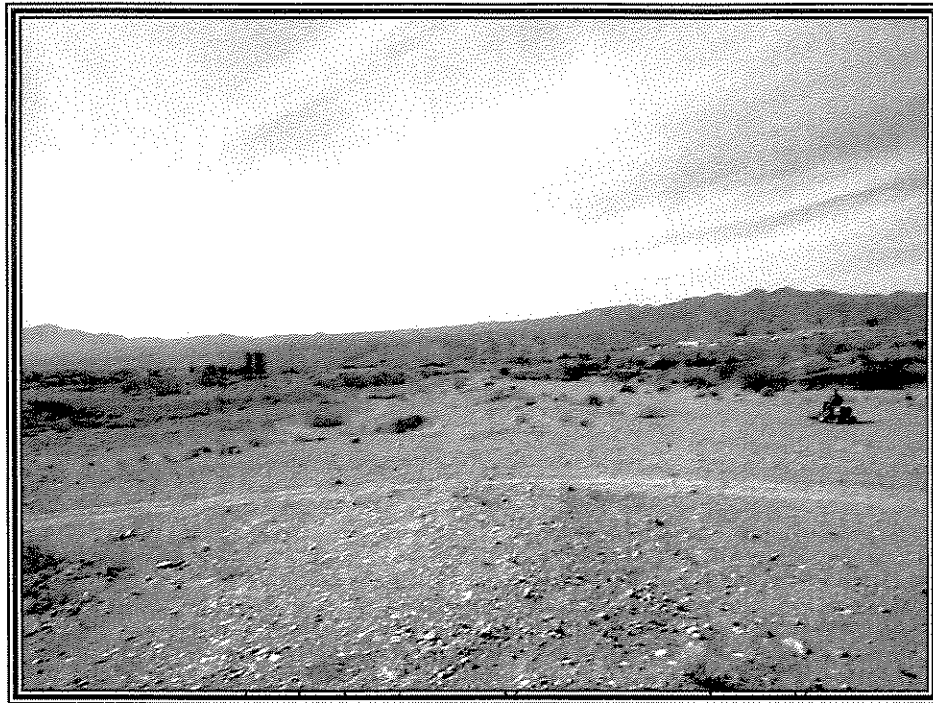


View of subject waterfront parcel looking south from northeast corner of parcel.



View of subject water from parcel looking southeast from northeast corner of parcel.





View of subject waterfront parcel looking west from northeast corner of parcel.



**ENGAGEMENT LETTER**



KENNY C. GUINN, *Governor*  
RICHARD W. BUNKER, *Chairman*  
JAY D. BINGHAM, *Vice Chairman*  
GEORGE M. CAAN, *Executive Director*

STATE OF NEVADA



SHARI BUCK, *Commissioner*  
OSCAR B. GOODMAN, *Commissioner*  
ACE I. ROBISON, *Commissioner*  
ROLAND D. WESTERGARD, *Commissioner*  
MYRNA WILLIAMS, *Commissioner*

COLORADO RIVER COMMISSION  
OF NEVADA

June 25, 2004

Mr. Matthew J. Lubawy, MAI  
Lubawy & Associates  
8250 West Charleston Blvd., Suite 100  
Las Vegas, NV 89117

SUBJECT: Engagement Letter Agreement for Real Estate Appraisal

Dear Mr. Lubawy:

At its meeting on April 13, 2004, the Colorado River Commission authorized its Executive Director to enter into an engagement letter agreement with Lubawy & Associates ("Appraiser") to re-appraise certain lands in the Fort Mohave Valley near Laughlin, Nevada and to update an earlier appraisal of the same lands commissioned in December, 2002. The Commission authorized me to engage the services of Matthew J. Lubawy, MAI, for the updated appraisal based upon the terms and conditions specified in this engagement letter agreement.

1. Appraiser shall prepare and deliver to the Commission three copies of a report giving an updated appraisal of the fair market value of the subject lands. A full, formal appraisal report will not be required, rather, the appraisal report issued by Appraiser in 2003 shall be relied upon by reference and supplemented with a current report reflecting any change in material factual information, comparative data, the opinion of value and the reasons therefore. Appraiser shall include such supporting information as he deems appropriate in the report. The work is to be commenced upon receipt of this notice to proceed with the understanding that the work is to be completed as soon as practicable no later than July 31, 2004. Upon receipt of the report, the Commission reserves the right to ask Appraiser to consider additional or other factors relative to the appraisal and to discuss whether their application to the appraisal is appropriate. Appraiser shall, if appropriate, adjust the report based on its consideration of those factors and the Commission's other comments, and complete and deliver the report within 15 days after the Commission submits its comments.



2. Upon delivery of the report, Appraiser shall submit to the Commission an invoice for compensation for the work performed. The Commission shall, within 30 days after receiving the invoice, pay to Appraiser, for all services rendered under this engagement letter agreement, total compensation in an amount not to exceed \$2,500.00
3. The Commission has also authorized the engagement of Gary H. Kent, MAI, of Las Vegas, Nevada, to perform an updated market value appraisal of the subject lands under substantially similar terms and conditions. Except as provided in the next sentence, the Commission requires that the respective appraisals by Matthew J. Lubawy, MAI and Gary H. Kent, MAI, be performed independently of each other. The Commission may, if it deems appropriate, share with the appraisers certain factual data contained in their reports.
4. For purposes of this appraisal:
  - 4.1. The subject property must be appraised as of March 31, 2004. The fee owner of the subject property as of that date shall be deemed to be the Colorado River Commission of the State of Nevada.
  - 4.2. The subject property must be appraised as raw land, disregarding all improvements located on the property.
  - 4.3. The real property interest to be valued for the subject property must be its fee simple interest and appraised at its highest and best use.
  - 4.4. The Appraiser shall consider all valid existing rights which encumbered the fee interest in the subject property as of March 31, 2004, and all governmental zoning or land use designations applicable to the subject property as of that date.
  - 4.5. Appraiser has been informed that a private developer, Riverside Developments, LLC, has expressed an interest in submitting a new proposal to the Commission seeking to acquire the subject lands for the stated purpose of combining such lands with surrounding parcels currently owned by Riverside Developments, LLC, to allow for an extensive multi-use development including hotel/casino, golf course, marina, residential, and retail commercial properties. The primary goal of the Commission in seeking independent appraisals is to evaluate the potential value of the subject lands should they be acquired by any third party for purposes of development of a similar kind to that proposed by Riverside Developments, LLC.



- 4.6. The Appraiser may obtain comparable sales data from any geographic location deemed appropriate.
- 4.7. The Appraiser is an independent contractor and this engagement letter agreement is entered into in accordance with NRS 284.173 which shall govern this engagement letter agreement.
- 4.8. The Appraiser shall not assign, transfer or delegate any rights, obligations or duties under this contact without the prior written approval of the Commission.
- 4.9. The Appraiser assumes all risk of injury to the employees, agents and subcontractors of Appraiser, including personal injury or damage to property.
- 4.10. The Appraiser shall defend, indemnify and hold harmless the State of Nevada, its Colorado River Commission, and its officers, employees and agents, successors or assigns, from any claims, demands, costs, losses, causes of action, suits, damages or liability, of whatsoever kind or nature, arising out of or resulting from error or omission in the performance of work under this engagement letter agreement by, or any unlawful or tortuous act of, the Appraiser, its employees, subcontractors or agents.
- 4.11. Any notice, invoice or correspondence relative to this engagement letter agreement must be in writing and personally delivered or sent by first-class U.S. mail, postage prepaid, addressed as follows:

To the Commission:

George M. Caan  
Executive Director  
Colorado River Commission of Nevada  
555 East Washington Ave., Suite 3100  
Las Vegas, NV 89101-1048  
Phone: (702) 486-2670  
FAX: (702) 486-2695

To Lubawy & Associates:

Mr. Matthew J. Lubawy, MAI  
Lubawy & Associates  
8250 West Charleston Blvd., Suite 100  
Las Vegas, NV 89117  
Phone: (702) 242-9369  
FAX: (702) 242-6391

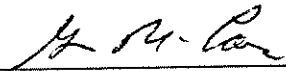


Mr. Matthew J. Lubawy, MAI  
Lubawy & Associates

June 25, 2004  
Page 4


If Lubawy & Associates agrees to the above terms and conditions, please have an authorized officer sign this contact and the enclosed duplicate original in the space provided below and return both copies to our office.

Sincerely,

  
George M. Caan  
Executive Director

Agreed to this 28 day of JUN, 2004.

LUBAWY & ASSOCIATES ("Appraiser")

By:   
Matthew J. Lubawy, MAI  
Nevada Certified Appraiser No. 00044

GMC:JDS

C:\MyDocuments\SalolItems\LubawyLetterAgreement6-25-04



**QUALIFICATIONS OF APPRAISERS**



## QUALIFICATIONS OF APPRAISER

MATTHEW J. LUBAWY, MAI  
NEVADA CERTIFIED GENERAL APPRAISER # 00044  
LUBAWY & ASSOCIATES, INC.  
8250 WEST CHARLESTON BLVD., SUITE 100  
LAS VEGAS, NEVADA 89117  
TELEPHONE: (702) 242-9369  
FAX: (702) 242-6391  
COMPANY WEBSITE: [lubawy.com](http://lubawy.com)  
e-mail: [matt@lubawy.com](mailto:matt@lubawy.com)

## APPRAISAL EXPERIENCE AND BACKGROUND

Lubawy & Associates, Inc.  
Independent Fee Appraiser and Real Estate Consultant  
December, 1994 to Present

Independent Fee Appraiser and Real Estate Consultant  
January, 1992 to December, 1994

First Interstate Bank  
Staff Appraiser (Assistant Vice President)  
December, 1988 to January, 1992

Independent Fee Appraiser  
March, 1987 to December, 1988

## EDUCATION

University of Nevada, Las Vegas, Bachelor of Science in Business  
Administration - Major in Real Estate

Bishop Gorman High School, Las Vegas, Nevada

## APPRAISAL EDUCATION

Separating Real & Personal Property from Intangible Business Assets	September 2003
So. NV Public Land Mgt. Act BLM Appraisal Compliance Workshop	May 2003
Income Capitalization	March 2003
Appraising Non-Conforming and Difficult Properties	March 2003
Appraiser Liability	March 2003



2003 National USPAP	February 2003
Valuation of Partial Acquisitions, Course 401 through IRWA	October 2000
Partial Interest Valuation – Divided, Course A7414	April 2000
Highest & Best Use and Market Analysis	March 2000
Subdivision Analysis	January 2000
Writing the Narrative Appraisal Report	November 1999
USPAP 1999 Revisions A7415ES	March 1999
Reporting Sales Comparison Grid Adj. for Residential Properties	March 1999
USPAP 1999 Revisions – A7415ES	March 1998
Litigation Appraisal and Expert Testimony	June 1997
USPAP (Parts A & B)	1996
Ethics - USPAP Statements	March 1995
Comprehensive Appraisal Workshop	July 1994
Current Issues and Misconceptions in Appraisal	December 1993
Standards of Professional Appraisal Practice, Part B	1992
Land Faire Nevada	July 1992
Appraising From Blueprints and Specifications	September 1992
Accrued Depreciation	September 1992
Standards of Professional Appraisal Practice, Part A	1991
Report Writing and Valuation Analysis; Exam 2-2	June 1991
Case Studies; Exam 2-1	June 1991
Capitalization Theory and Techniques, Part B; Exam 1-BB	June 1990
Capitalization Theory and Techniques, Part A; Exam 1-BA	June 1990
Basic Valuation; Exam 1A2	May 1989
Principles of Real Estate Appraisal ; Exam 1A1	May 1989

### MEMBERSHIPS AND AFFILIATIONS

Member of the Appraisal Institute (MAI #10,653)	
President of Las Vegas Chapter	1998/1999
1 <sup>st</sup> Vice President of Las Vegas Chapter	1997/1998
2 <sup>nd</sup> Vice President of Las Vegas Chapter	1996/1997
Director, Nevada State Development Corporation	
Greater Las Vegas Association of Realtors	
National Association of Realtors	
UNLV Alumni Association	
ATΩ Alumni Association	
Las Vegas Host Lions Club	
Director 1996/1997	
Director 1997/1998	



### TYPES OF APPRAISAL ASSIGNMENTS

Airport Hangars  
Assisted Living  
Auto Mall  
Automobile Dealership Facilities  
Condominiums  
Convenience Stores  
Golf Courses  
Hotels/Casinos  
Industrial Buildings  
Low-Income Housing w/Tax Credits & Bond Financing  
Medical Office Buildings  
Mini-Storage  
Multi-Family Dwellings  
Professional Office Buildings

Residential Subdivisions  
Restaurants  
Retail Shopping Centers  
Single-Family Residences  
Special Use Properties  
Taverns  
Townhouses

\* \* \* \* \*

Condemnation/Eminent Domain  
Fee Simple Valuations  
Leasehold Valuations  
Leased Fee Valuations  
Feasibility Studies  
Market Studies

### PROMINENT APPRAISAL ASSIGNMENTS

#### **Hotels/Casinos**

Alexis Park  
Best Western Mardi Gras Inn  
Binion's Horseshoe Hotel/Casino  
Castaways Hotel/Casino  
Comfort Inn  
Courtyard by Marriott (Reno)  
Day's Inn (Pahrump Station)  
Four Queens Hotel/Casino  
Golden West Casino  
Hampton Inn  
Holiday Inn  
Howard Johnson

La Bayou Casino  
Mt. Charleston Hotel  
PT's Mining Casino  
Regency Casino (Laughlin)  
Saddle West Hotel/Casino  
Springhill Suites by Marriott  
Sunbird Motel  
Thirstbuster's Casino  
Tivoli Motel  
Vacation Village Hotel/Casino  
Wildfire Casino

#### **Automobile Dealerships**

Allstate Car Rental  
Auto Auction Sales  
Auto Nation  
Ben Stepman Dodge  
Cashman Cadillac  
Desert Dodge  
Falconi Acura

Fletcher Jones Mitsubishi  
Freightliner Truck Sales/Repair Facility  
Friendly Ford Dealership  
Harley Davidson Sales/Repair Facility  
Norm Baker Auto  
Rick Peet Chrysler Jeep Dodge



**Recreational Uses**

Black Mountain Golf Course	Millenium Sports Arena
Dragon Ridge Golf Course	Stallion Mountain Country Club

**Special Use Properties**

Bible Baptist Church	Montessori Academy
Braggsmith Driving School/Racetrack	Quail Air Center (Airport Hangars)
Cheyenne Air Center (Air Hangars)	Sahara Surgery Center
Friendship Church	UMC Quick Care Centers
Green Valley Christian Center	Victory Christian Church
Las Vegas Day School	Warren Walker Elementary School
Merryhill School	Warren Walker Middle School

**Restaurants/Taverns**

Arby's	Mugshots
BJ's Lounge	Mulligans
Carrow's	PT's Pubs
Claim Jumper	Roadrunner Taverns
Denny's	Sean Patrick's
Draft House	Smith & Wollensky
Hamada's	Taco Bell
Harley Davidson Café	T-Bird Lounge
IHOP	Tenaya Lodge
Loose Caboose	Tommy Rockers
Magoo's	

**Miscellaneous**

Aliante (1,900 AC Land)	K-Mart
Checker Auto Parts	Northport Business Center (400,000 SF Bus. Pk.)
Ivanpah Airport (6,000 AC)	Southern Highlands Christopher Collection
James Hardie Gypsum Mine (979 AC)	Tuscany Hills Master-Planned Dev. (323 AC)

**EXPERT WITNESS TESTIMONY**

Qualified as Expert Witness in the Nevada State Court  
Qualified as Expert Witness in Federal Court



PARTIAL LIST OF CLIENTSFinancial Institutions

American General Realty Advisors	Kennelly Mortgage
American Partners For Life Insurance	Key Bank
ARCS Commercial Mortgage Company	Keystone Capital
Bank of America, California	M&I Thunderbird Bank
Bank of America, Nevada	Marshall and Ilsley
Bank One (Arizona)	Merchants Mortgage & Trust
Bank One (Texas)	Merrill Lynch Mortgage Capital
Bank United	Midland Loan Services
BankWest	Modesto Commerce Bank
Belgravia Capital Corporation	Nationwide Life Insurance Company
Business Bank of Nevada	Nevada First Bank
California Bank & Trust	Nevada State Bank
California Cho Hung Bank	Northern Trust Bank
Canada Life Assurance Company	Pacific First Bank
CIB Bank	Pacific Housing
Citicorp, Arizona	PCV Murcor
City Mortgage	Pioneer Citizens Bank
City National Bank	PNC Multifamily Capital
Colonial Bank	Principal Capital Management LLC
Commercial Bank of Nevada	Security Mutual Life Insurance Co
Commercial Federal Bank	Sierra West Bank
Community Bank	Silver State Bank
Consolidated Mortgage	Silverstate Credit Union
Credit Suisse First Boston Mortgage	Skymar Capital
Criimi Mae	Southern Pacific Bank
Deutsche Bank Mortgage Capital	Specialty Financial
East West Bank	Sunwest Bank
Federal Deposit Insurance Corp.	Temecula Valley Bank
First Denver Mortgage	U S Bank
First Federal Lincoln	Union Planter's Bank
First National Bank	United Bank of Switzerland
First Republic Bank	US Savings Bank
First Security Bank	USA Capital
GE Capital	Valley Bank
General American Life Ins. Co.	Vestin Mortgage
GMAC	Ward Cook
GPM Life Insurance Company	Wells Fargo
Imperial Capital Bank	Western Capital
Imperial Thrift & Loan	Woodmen of The World Insurance Society
Independent Order of Foresters	Zions Bank
Israel Discount Bank of New York	



**Attorneys**

Anthony Guenthur  
Barron, Vivone, Holland & Pruitt  
Beckley Singleton  
Gublers & Peters  
Jeffrey Eskin  
Jeffrey L. Burr and Associates  
John Boyer  
John Erickson  
John Peter Lee, Esq.

Jones Vargas  
Koeller, Nebeker, Carlson, & Haluck  
Lionel Sayer  
Michael Mansfield, Esq.  
Michael Pontoni  
Sanford Scott  
Shea, and Carlyon  
Skylar, Waren & Sylvester  
William E. Cooper Law Offices

**Government**

Bureau of Land Management (BLM)  
City of Henderson  
City of Las Vegas  
City of North Las Vegas  
Clark County Dept of Aviation  
Clark County District Attorney  
Clark County Public Works  
Clark County School District  
Colorado River Commission  
Community of College of So. Nevada  
Internal Revenue Service

Las Vegas Valley Water District  
Nevada Department of Transportation  
Nevada Division of State Lands  
Nevada Power Company  
Nevada Real Estate Division  
Nye County  
Nye County School District  
Small Business Administration  
Southern Nevada Water Authority  
U.S. Army Corps of Engineers

**Non-Financial/Private Individuals**

Becker Realty  
Brookhollow Properties  
CB Commercial  
Chrysler Realty Corporation  
Del Webb  
Insight Development  
International Bricklayers Union  
Ken Templeton Realty  
Maury Abrams Company  
Millennium Properties  
University of Nevada Las Vegas (UNLV)

Nevada Hand  
Nigro & Associates  
Pratte Development  
Ribeiro Corporation  
Romano Realty  
Rossum Realty  
Terra West Development  
The Dial Corporation  
The Walters Group  
Triple Five Development Corp.



## **QUALIFICATIONS OF RYAN B. O'NEILL**

Nevada Registered Intern Appraiser #05286

LUBAWY & ASSOCIATES, INC.  
8250 WEST CHARLESTON BLVD., SUITE 100  
LAS VEGAS, NEVADA 89117  
TELEPHONE: (702) 242-9369  
FAX: (702) 242-6391  
COMPANY WEBSITE: [lubawy.com](http://lubawy.com)

### **APPRAISAL EXPERIENCE AND BACKGROUND**

Lubawy & Associates, Inc.  
Independent Fee Appraiser  
March 2004 to Present

### **EDUCATION**

University of Phoenix  
Currently Enrolled in MBA Program  
University of Nevada, Las Vegas  
B.S., Business Administration - Accounting  
Community College of Southern Nevada  
Durango High School, Las Vegas, Nevada

### **APPRAISAL EDUCATION**

The Chicopee Group ~ IREAS

- |   |               |
|---|---------------|
| • Appraisal Law in Nevada               | February 2004 |
| • Highest and Best Use                  | February 2004 |
| • National USPAP Module                 | February 2004 |
| • Applied Res. Appraisal Techniques     | February 2004 |
| • Fundamentals of Real Estate Appraisal | February 2004 |



